

**I. AMENDMENT**

**A. In the Claims**

Please amend the claims, and add new claims, as set out below. It is believed that no new matter has been added.

1. (Currently amended) A ~~computer-aided~~ method of using an apparatus for card activity-based residential mortgage expense crediting, the method including:

providing a digital electrical computer electrically connected to an input device and to an output device;

associating, with said digital computer, data input at said input device, the data representing card activity with further input data representing an external residential mortgage expense that has been selected over the Internet by a cardholder from a plurality of external residential mortgage expense options;

crediting, with said digital computer and according to the external residential mortgage expense option that has been selected over the Internet, an amount to the external residential mortgage expense responsive to the card activity; and

generating, at the output device, output including the amount corresponding to the external residential mortgage expense crediting.

2. (Currently amended) The method of claim 45, further including:  
applying, with said digital computer, some of the amount in a funds transfer to pay the expense.

3. (Currently amended) The method of claim 45, wherein the associating card activity with an external residential mortgage expense includes [[the]] entering external

mortgage-identifying data; and

carrying out the crediting according to the mortgage-identifying data.

4. (Currently amended) The method of claim 2, wherein the associating card activity with an external residential mortgage expense includes the entering external mortgage-identifying data; and

carrying out the crediting according to the mortgage-identifying data.

5. (Currently amended) The method of claim 45, wherein the external residential mortgage expense is a closing cost.

6. (Currently amended) The method of claim 45, wherein the external residential mortgage expense is a downpayment.

7. (Currently amended) The method of claim 1, wherein the plurality of options includes more than two options. ~~The method of claim 4, wherein the external residential expense is insurance.~~

8. (Currently amended) A method of using an apparatus for card activity-based residential expense crediting, the method including:

providing a digital electrical computer electrically connected to an input device and to an output device;

associating card activity<sub>1</sub> with a ~~non-mortgage~~ said digital computer, data at said input device, said data representing an external residential mortgage expense selected by a cardholder over the Internet from a plurality of external residential ~~non-mortgage residential~~

expense options;

crediting, with said digital computer and according to the non-mortgage external residential expense option that has been selected, an amount to the ~~non-mortgage external residential~~ expense responsive to the card activity;

applying, with said digital computer, some of the amount to produce a payment for the expense; and

generating, at said output device, output including the amount corresponding to the payment ~~crediting and the applying~~.

9. (Currently amended)      The method of claim 46, wherein the applying includes producing a closing cost payment as the payment for the expense.

10. (Currently amended)      The method of claim 8, wherein the applying includes producing a downpayment as the payment for the expense.

11. (Currently amended)      The method of claim 45, wherein the payment includes interest ~~the applying includes producing an insurance payment as the payment for the expense~~.

12. (Currently amended)      The method of claim 45, wherein the applying includes producing a payment for at least one discount point as the payment for the expense.

13. (Currently amended)      The method of claim 45, wherein the applying includes producing a prepaid interest payment as the payment for the expense.

14. (Currently amended) The method of claim 45, wherein the applying includes producing a payment to an escrow account as the payment for the expense.

15. (Currently amended) The method of claim 1, wherein the payment includes interest 45, ~~where the applying includes producing a payment triggering acquisition of a member of the group the group consisting of a boat, a motor home, a mobile home, a trailer, mineral rights, water rights, riparian rights, and parking space acquisition as the payment for the expense.~~

16. (Currently amended) The method of claim 45, wherein the applying includes producing a tax payment as the payment for the expense.

17. (Currently amended) The method of claim 45, wherein the applying includes producing a fee payment from the group consisting of ~~[[a]]~~ an impact fee, new construction fee, government fee, recording fee, transfer fee, miscellaneous fee, mitigation fee, origination fee, commission, review and funding fee, wire transfer and courier fee, title and closing fee, an underwriting fee, a processing fee, and a flood certificate fee as the payment for the expense.

18. (Currently amended) The method of claim 45, wherein the applying includes producing a payment for a cost from the group consisting of a stamp, ~~a title endorsement~~, a tax certificate, an environmental and termite inspection, a radon test, an inspection, an appraisal, abstract search, ~~title search, title examination, title insurance binder,~~ and a credit report as the payment for the expense.

19. (Currently amended) The method of claim 45, wherein the applying includes producing a payment for fee payment from the group consisting of a tax service fee, an architect fee, an engineering fee, a surveying fee, an attorney fee, a realtor fee, and a notary fee as the payment for the expense.

20. (Currently amended) The method of claim 45, wherein the applying includes producing a payment of a cost from the group consisting of a dockage fee and a marina fee as the payment for the expense.

21. (Currently amended) The method of claim 45, wherein the applying includes producing a payment of a cost from the group consisting of a lot cost, land cost, equity sharing cost, development cost, infrastructure cost, material cost, landscaping, and fix-up cost for work and materials required to close the mortgage loan, ~~house-hunting costs, and moving cost~~ as the payment for the expense.

22. (Currently amended) The method of claim 45, wherein the applying includes producing a payment of a cost from the group consisting of an ongoing residential mortgage expense, the ongoing residential mortgage expense from the group consisting of a special assessment, a homeowner assessment, a membership fee, an association due, and a common area fee, ~~and parking maintenance~~ as the payment for the expense.

23. (Currently amended) The method of claim 8, wherein the payment includes interest 45, ~~where the applying includes producing a payment of a cost from the group consisting of appliance acquisition, appliance upgrade, and a material upgrade as the payment for the expense.~~

24. (Currently amended) The method of claim 8, wherein the plurality of options includes more than two options ~~45, where the applying includes producing a payment of a rent as the payment for the expense.~~

25. (Currently amended) The method of any one of claims 1-24, 45, and 46, further including ~~[[the]] applying, with said digital computer,~~ a preferential crediting rate in the crediting for an internal expense.

26. (Currently amended) The method of any one of claims 1-24, 45, and 46, wherein the ~~applying is carried out in response to an instruction received over the Internet~~ options include non-mortgage residential expense options.

27. (Currently amended) The method of any one of claims 1, 8, 45, and 46, ~~further including wherein the applying includes communicating includes:~~

~~printing, with said digital computer, a check for the amount;~~

~~printing, with said digital computer, a coupon with the amount for carrying out payment of the mortgage with the check; and~~

~~combining the check and the coupon with a statement of the card activity in a computer-addressed envelope so as to address the envelope.~~

28. (Currently amended) The method of any one of claims 1, 8, 45, and 46, further including:

~~changing, with said digital computer, an allocation of the credit activity between expenses~~ the options in response to an instruction from the cardholder.

29. (Currently amended) The method of any one of claims 1, 8, 45, and 46, further including:

changing, with said digital computer, an allocation of the credit activity between interest and principle in response to an instruction from a holder from the group consisting of the cardholder and an expense holder.

30. (Currently amended) The method of any one of claims 1, 8, 45, and 46, further including:

allocating, with said digital computer, a portion of the credit activity to a charity;  
and

~~issuing~~ generating, with said digital computer, a tax deduction statement responsive to the portion.

31. (Currently amended) The method of any one of claims 1, 8, 45, and 46, further including:

computing, with said digital computer, an annual statement of said crediting; and  
communicating, with said digital computer, the annual statement to the cardholder.

32. (Currently amended) The method of claim 31, wherein the computing an annual statement includes:

computing, with said digital computer, mortgage interest paid by the crediting.

33. (Currently amended) The method of any one of claims 1, 8, 45, and 46,

further including:

allocating, with said digital computer, a portion of the amount between multiple mortgages.

34. (Currently amended) The method of any one of claims 1, 8, 45, and 46, further including:

associating, with said digital computer, the expense with second card activity of a second cardholder;

crediting, with said digital computer, an amount to the external residential mortgage expense responsive to the second card activity; and

wherein the generating output includes generating the output including the second charge card activity-based crediting.

35. (Currently amended) The method of any one of claims 1, 8, 45, and 46, further including:

communicating an electronic funds transfer to a charity for payment of the external residential mortgage expense.

36. (Currently amended) A method of using an apparatus for carrying out card activity-based residential expense crediting, the method including:

responding to a cardholder selecting over the Internet from a plurality of external residential mortgage expense options by forming a combination in an envelope, the combination including at least two of:

a check printed for the payment of the expense, according to the external residential expense option that has been selected;



a coupon printed for making the payment with the check; and  
a statement of showing the card activity and the crediting according to the  
external residential expense option that has been selected.

37. (Currently amended) Apparatus to carry out card activity-based  
residential mortgage crediting, the apparatus including:

a digital computer and data processing system comprising a digital computer in  
communication with an input device for receiving input data and with an output device, the  
digital computer programmed to process the input data to produce an electronic file including  
data representing a external residential mortgage, to credit an amount to the external  
residential mortgage responsive to card activity, and to generate output, at the output device,  
the data including the card activity credit; wherein the file is accessed to communicate the data  
over the Internet representing the external residential mortgage to a lender computer, and the  
lender computer facilitates a computer-aided mortgage auction that produces a proposed new  
mortgage.

38. (Currently amended) A method for making a digital computer system  
programmed for carrying out card activity-based external residential mortgage expense  
crediting, the method including:

providing a digital computer and data processing system comprising a digital  
computer electrically connected to an input device for inputting data and to an output device;  
and

programming the digital computer to associate card activity with an external  
residential mortgage expense selected by a cardholder over the Internet from a plurality of  
external residential mortgage expense options, to credit an amount to the external residential

mortgage expense responsive to the card activity and according to the external residential mortgage expense option that has been selected, and to generate output including the crediting, to form the digital computer system.

39. (Currently amended) A method for making a digital computer system programmed for carrying out card activity-based residential mortgage expense crediting, the method including

providing a data processing system comprising a digital computer electrically connected to an input device for inputting data and to an output device; and

programming the digital computer to associate card activity with ~~a non-mortgage~~ an external residential mortgage expense selected by a cardholder over the Internet from a plurality of external residential expense options, to credit an amount to the residential mortgage expense responsive to the card activity, to apply some of the amount to produce a payment for the expense according to the external residential mortgage expense option that has been selected, and to generate output including the amount credited.

40. (Currently amended) A digital computer system programmed for carrying out card activity-based external residential mortgage expense crediting, the computer system including:

a digital computer and data processing system comprising a digital computer electrically connected to an input device for inputting data and to an output device, said digital computer programmed to associate card activity with ~~a non-mortgage~~ an external residential mortgage expense selected by a cardholder over the Internet from a plurality of external residential expense options, to credit an amount to the ~~non-mortgage~~ external residential mortgage expense responsive to the card activity and according to the external residential

expense option that has been selected, to apply some of the amount to produce a payment for the expense, and to generate output including at least two of:

- a check printed for the payment of the expense;
- a coupon printed for making the payment with the check; and
- a statement of showing the card activity and the crediting.

41. (Currently amended) A digital computer system programmed for carrying out card activity-based residential mortgage expense crediting, the computer system including:

a data processing system comprising a digital computer electrically connected to an input device for inputting data and to an output device, said digital computer programmed to associate card activity with an external mortgage ~~residential~~ expense selected by a cardholder from a plurality of external residential expense options over the Internet, to credit an amount to the external residential mortgage expense responsive to the card activity and according to the external residential expense option that has been selected, to apply some of the amount to produce a payment for the expense, and to generate output including at least two of:

- a check printed for the payment of the expense;
- a coupon printed for making the payment with the check; and
- a statement of showing the card activity and the credit.

42. (Currently amended) A method of using an apparatus for carrying out computerized card activity-based non-mortgage residential mortgage expense crediting, the method including:

providing a digital electrical computer electrically connected to an input device and to an output device; and

crediting, with said computer, card activity to ~~a non-an~~ an external mortgage expense payment in response to a cardholder instruction received over the Internet, the instruction comprising a selection by a cardholder from a plurality of external residential mortgage expense options, said crediting reflected in output produced at said output device.

43. (Currently amended) A method of using an apparatus for carrying out computerized card activity-based external residential expense crediting, the method including: providing a digital electrical computer electrically connected to an input device and to an output device; and

crediting, with said computer, card activity to an external residential mortgage expense payment in response to a cardholder instruction received over the Internet, the instruction comprising a selection by a cardholder from a plurality of external residential expense options, said crediting reflected in output produced at said output device.

44. (Currently amended) The method of claim 43, wherein the crediting is carried out with ~~a mortgage as~~ the external residential mortgage expense payment comprising interest.

45. (Currently amended) The method of claim 1, further including: obtaining, with said computer, identifying data for the external residential mortgage expense; and

wherein the crediting is carried out with the amount comprising a reward.

46. (Currently amended) The method of claim 8, further including: obtaining, with said computer, identifying data for the external residential

mortgage expense; and

wherein the crediting is carried out with the amount comprising a reward.

47. (Currently amended) The method of claim 36, further including the producing said card activity-based residential expense crediting by entering identifying data, at said input device, for the external residential expense in a computer and computing, with said computer, a reward corresponding to the crediting.

48. (Previously presented) The method of claim 37, wherein the programming includes programming to carry out the obtaining identifying data for the external residential expense, and wherein said amount comprises a reward.

49. (Previously presented) The method of claim 38, wherein the programming includes programming to carry out the obtaining identifying data for the external residential expense, and wherein said amount comprises a reward.

50. (Previously presented) The method of claim 39, wherein the programming includes programming to carry out the obtaining identifying data for the external residential expense, and wherein said amount comprises a reward.

51. (Previously presented) The system of claim 40, wherein said amount comprises a reward.

52. (Previously presented) The system of claim 41, wherein said amount comprises a reward.

53. (Previously presented) The system of claim 42, further including the computing a reward used in carrying out said crediting.

54. (Previously presented) The system of claim 43, further including the computing a reward used in carrying out said crediting.

55. (Currently amended) A computer-aided method of using an apparatus for card activity-based residential expense crediting, the method including:

providing a digital electrical computer electrically connected to an input device and to an output device;

associating, with said computer, card activity with an external residential mortgage expense and with a non-mortgage residential expense, said expenses selected by a cardholder computer from a plurality of external residential expense options over the Internet;

crediting, with said computer, an amount to the external residential mortgage expense responsive to the card activity; and

generating, with said output device, output including the external residential mortgage expense crediting.

56. (Currently amended) A computer-aided method of using an apparatus for card activity-based external residential expense crediting, the method including:

providing a digital electrical computer electrically connected to an input device and to an output device;

associating, with said computer, card activity with an expense that is an external residential expense and a non-mortgage residential expense, said expenses selected by a

cardholder computer from a plurality of external residential expense options;

crediting, with said computer, an amount to the residential expense responsive to the card activity; and

generating, with said output device, output including the external residential expense crediting.

57. (Previously presented) The method of any one of claims 39, 42, 55, wherein the expense comprises a downpayment.

58. (Previously presented) The system of claims 40, wherein the expense comprises a downpayment.

59. (Previously presented) The method of any one of claims 1, 8, 36, 38, 39, 42, 43, 55, 56, wherein one said option designates an ongoing expense.

60. (Previously presented) The system of any one of claims 40, 41, wherein one said option designates an ongoing expense.

61. (Previously presented) The method of any one of claims 1, 8, 36, 38, 39, 42, 43, 55, 56, wherein one said option designates a single transaction expense.

62. (Previously presented) The system of any one of claims 40, 41, wherein one said option designates a single transaction expense.